

# PAPERWORK REDUCTION ACT SUBMISSION

Please read the instructions before completing this form. For additional forms or assistance in completing this form, contact your agency's Paperwork Clearance Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 17th Street NW, Washington, DC 20503.

<p>1. Agency/Subagency originating request</p> <p>U.S. Department of the Interior Minerals Management Service</p>	<p>2. OMB control number <span style="float: right;">b. <input type="checkbox"/> None</span></p> <p>a. <u>1</u> <u>0</u> <u>1</u> <u>0</u> <u>0</u> <u>1</u> <u>1</u> <u>9</u></p>
<p>3. Type of information collection <i>(check one)</i></p> <p>a. <input type="checkbox"/> New collection</p> <p>b. <input checked="" type="checkbox"/> Revision of a currently approved collection</p> <p>c. <input type="checkbox"/> Extension of a currently approved collection</p> <p>d. <input type="checkbox"/> Reinstatement, without change, of a previously approved collection for which approval has expired</p> <p>e. <input type="checkbox"/> Reinstatement, with change, of a previously approved collection for which approval has expired</p> <p>f. <input type="checkbox"/> Existing collection in use without an OMB control number</p> <p><i>For b-f, note item A2 of Supporting Statement instructions</i></p>	<p>4. Type of review requested <i>(check one)</i></p> <p>a. <input checked="" type="checkbox"/> Regular</p> <p>b. <input type="checkbox"/> Emergency - Approval requested by: <u>      </u>/<u>      </u>/<u>      </u></p> <p>c. <input type="checkbox"/> Delegated</p>
	<p>5. Small entities</p> <p>Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
	<p>6. Requested expiration date</p> <p>a. <input checked="" type="checkbox"/> Three years from approval date b. <input type="checkbox"/> Other Specify: <u>      </u>/<u>      </u>/<u>      </u></p>
<p>7. Title</p> <p>30 CFR Part 208—Sale of Federal Royalty Oil; Sale of Federal Royalty Gas; and Commercial Contracts</p>	
<p>8. Agency form number(s) <i>(if applicable)</i></p> <p>Forms MMS-4070, MMS-4071, and MMS-4072</p>	
<p>9. Keywords</p> <p>royalty-in-kind, RIK, refiners, determinations, crude oil, adequate supplies, fair market prices, onshore/offshore leases, eligible refiners, surety, royalty oil, oil and gas leases, Secretary, Application for the Purchase of Royalty Oil, RIK sale, competitive sale of Federal royalty oil or gas, offers, offerors, -pre-qualifies</p>	
<p>10. Abstract</p> <p>When the Secretary determines that eligible refiners do not have access to adequate supplies of oil, the Secretary may dispose of any oil taken as royalty by conducting a sale of such oil, or by allocating it to eligible refiners. MMS on behalf of the Secretary performs Determinations of Need prior to issuing a Notice of Availability of Sale in the Federal Register advising industry of a forthcoming RIK sale. Without feedback from interested refiners regarding their recent marketplace experience in obtaining adequate crude oil supplies and whether those supplies are fairly priced, MMS cannot perform a reasonable or meaningful Determination of Need. The communications between MMS and RIK lease operators will support efficient transfer of the RIK production from the lease to the next recipient, help resolve transportation issues, and make adjustments to amounts delivered monthly such that amount of RIK delivered meets the royalty obligation for selected leases. MMS uses information to (1) document adherence to the public competitive process required for sale of Federal royalty (RIK) oil or gas; (2) help protect RIK production before, during, and after any sale; and (3) help assure a fair return on RIK production sold. The MMS requires eligible refiners provide a surety document to protect the Federal Government's interest. The surety must be provided prior to refiner sales.</p>	
<p>11. Affected public <i>(Mark primary with "P" and all others that apply with "X")</i></p> <p>a. <input type="checkbox"/> Individuals or households</p> <p>b. <input checked="" type="checkbox"/> Business or other for-profit</p> <p>c. <input checked="" type="checkbox"/> Not-for-profit institutions</p> <p>d. <input type="checkbox"/> Farms</p> <p>e. <input checked="" type="checkbox"/> Federal Government</p> <p>f. <input checked="" type="checkbox"/> State, Local or Tribal Government</p>	<p>12. Obligation to respond <i>(Mark primary with "P" and all others that apply with "X")</i></p> <p>a. <input checked="" type="checkbox"/> Voluntary</p> <p>b. <input type="checkbox"/> Required to obtain or retain benefits</p> <p>c. <input checked="" type="checkbox"/> Mandatory</p>
<p>13. Annual reporting and recordkeeping hour burden</p> <p>a. Number of respondents <u>225</u></p> <p>b. Total annual responses <u>1,304</u></p> <p>1. Percentage of these responses collected electronically <u>50%</u></p> <p>c. Total annual hours requested <u>2,284</u></p> <p>d. Current OMB inventory <u>5,121</u></p> <p>e. Difference <u>(2,837)</u></p> <p>f. Explanation of difference</p> <p>1. Program change <u>40</u></p> <p>2. Adjustment <u>(2,877)</u></p>	<p>14. Annual reporting and recordkeeping cost burden <i>(in thousands of dollars)</i></p> <p>a. Total annualized capital/startup costs <u>0</u></p> <p>b. Total annual costs (O&amp;M) <u>0</u></p> <p>c. Total annualized cost requested <u>0</u></p> <p>d. Current OMB inventory</p> <p>e. Difference <u>0</u></p> <p>f. Explanation of difference</p> <p>1. Program change <u>0</u></p> <p>2. Adjustment</p>
<p>15. Purpose of information collection <i>(Mark primary with "P" and all others that apply with "X")</i></p> <p>a. <input checked="" type="checkbox"/> Application for benefits</p> <p>b. <input checked="" type="checkbox"/> Program evaluation</p> <p>c. <input type="checkbox"/> General purpose statistics</p> <p>d. <input type="checkbox"/> Audit</p> <p>e. <input type="checkbox"/> Program planning or management</p> <p>f. <input type="checkbox"/> Research</p> <p>g. <input checked="" type="checkbox"/> Regulatory or compliance</p>	<p>16. Frequency of recordkeeping or reporting <i>(check all that apply)</i></p> <p>a. <input checked="" type="checkbox"/> Recordkeeping</p> <p>b. <input type="checkbox"/> Third party disclosure</p> <p>c. <input checked="" type="checkbox"/> Reporting</p> <p>1. <input checked="" type="checkbox"/> On occasion 2. <input checked="" type="checkbox"/> Weekly 3. <input checked="" type="checkbox"/> Monthly</p> <p>4. <input type="checkbox"/> Quarterly 5. <input type="checkbox"/> Semi-annually 6. <input checked="" type="checkbox"/> Annually</p> <p>7. <input type="checkbox"/> Biennially 8. <input checked="" type="checkbox"/> Other (describe) <u>Frequency varies within monthly reporting cycle, or as necessary</u></p>
<p>17. Statistical methods</p> <p>Does this information collection employ statistical methods?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>18. Agency contact <i>(person who can best answer questions regarding the content of this submission)</i></p> <p>Name: <u>Sharron L. Gebhardt</u></p> <p>Phone: <u>(303) 231-3211</u></p>

## 19. Certification for Paperwork Reduction Act Submissions

On behalf of this Federal agency, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

**Note:** The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320.8(b)(3), appear at the end of the instructions. *The certification is to be made with reference to those regulatory provisions as set forth in the instructions.*

The following is a summary of the topics, regarding the proposed collection of information, that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention period for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
  - (i) Why the information is being collected;
  - (ii) Use of information;
  - (iii) Burden estimate;
  - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
  - (v) Nature and extent of confidentiality; and
  - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to be collected (see note in Item 19 of the instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in Item 18 of the Supporting Statement.

**MMS ICCO**

**OMB 1010-0119**

Signature of Senior Official or designee

H. Theodore Heintz

Date